



**The Connecticut Association of
Not-for-profit Providers For the Aging**

**Informational Hearing on
Nursing Home Funding**

May 18, 2009



CANPFA represents not-for-profit senior services across the continuum of care including not-for-profit nursing homes, residential care homes, subsidized senior housing, adult day centers, home health care agencies, assisted living facilities and continuing care retirement communities.



Payment Source



Medicaid remained the dominant source of payment for nursing facility stays in Connecticut in 2008, covering 69% of the residents.

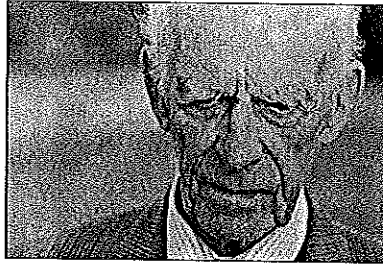
(Office of Policy and Management)





Resident Payer Mix in 2008

- Medicaid: 69%
- Medicare: 16%
- Private Pay: 12%



Remaining 3% covered by private medical insurance, long-term care insurance, the Veteran's Administration, or Continuing Care Retirement Communities

(Office of Policy and Management)



An Aging Population

The strong association between older age, chronic illness, disability, and greater use of long-term care services will cause the demand for long-term care services to rise significantly in the coming years. This pattern holds true for Connecticut as well, with major growth occurring for the 85+ population.



(Connecticut Long-Term Care Needs Assessment)



An Aging Population

- Future need for nursing facility care, assuming no progress in rebalancing,* would rise by 43 percent by the year 2030.
- If Connecticut is able to meet the goal of the state's Long-Term Care Plan to achieve rebalancing of 1 percent per year, demographic trends would still cause the need for nursing facility care to rise by 25 percent by the year 2030.



*Rebalancing is the shifting of long-term care utilization and expenditures toward community based care.

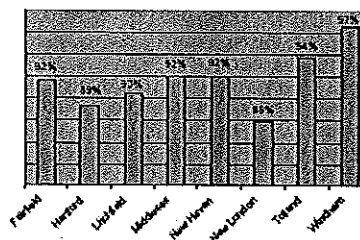
(Connecticut Long-Term Care Needs Assessment)



Occupancy

The average nursing facility occupancy rate in Connecticut fell by two percent in 2008: from 93% on September 30, 2007, to 91% percent on the same date in 2008.

Connecticut Nursing Facility Occupancy Rates by County, 2008



Regionally, the availability of beds varied, ranging from Windham County, with an occupancy rate of 97 percent, to New London County, with an occupancy rate of 88 percent.

(Office of Policy and Management)



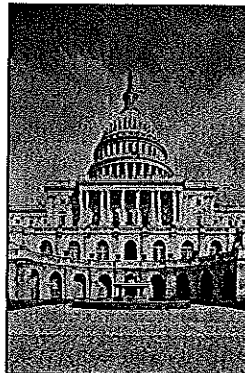
National Perspective

By the year 2020, 12 million older Americans will need long-term care. The increasing burden on Medicaid is unsustainable. Medicaid costs for long-term care will double by 2025 and increase five-fold by 2045. The state cannot withstand this burden alone – we must act as a nation.



Federal Solutions

We must encourage the inclusion of Long-Term Services and Solutions in Federal Health Care Reform.





- ✓ Make Nursing Home Residents a Budget Priority
- ✓ Create a Thoughtful Planning Process
- ✓ Facilitate the Development of a Healthy Payer Mix and Stronger Census
- ✓ Insist on Long Term Care Services in Federal Health Care Reform
- ✓ Utilize Our Expertise to Develop New Strategies for Future Change



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